



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-938]

Citric Acid and Certain Citrate Salts from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2011

AGENCY: Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) has completed its administrative review of the countervailing duty (CVD) order on citric acid and certain citrate salts (citric acid) from the People's Republic of China for the period January 1, 2011, through December 31, 2011. On June 10, 2013, we published the preliminary results of this review and the post-preliminary results were completed on November 7, 2013.¹

We provided interested parties with an opportunity to comment on the *Preliminary Results* and Post-Preliminary Results. Our analysis of the comments submitted has resulted in a change to the net subsidy rate for RZBC Group Shareholding Co., Ltd. (RZBC Group), RZBC Co., Ltd., RZBC Juxian Co., Ltd. (RZBC Juxian), and RZBC Imp. & Exp. Co., Ltd. (collectively, RZBC or RZBC Companies). The final net subsidy rate is listed below in the section entitled "Final Results of Review."

EFFECTIVE DATE: [Insert date of publication in the *Federal Register*].

¹ See *Citric Acid and Certain Citrate Salts: Preliminary Results of Countervailing Duty Administrative Review; 2011*, 78 FR 34648 (June 10, 2013) (*Preliminary Results*) and Memorandum to Paul Piquado, "Post-Preliminary Results Decision Memorandum: Citric Acid and Certain Citrate Salts from the People's Republic of China," dated November 7, 2013 (Post-Preliminary Results).

FOR FURTHER INFORMATION CONTACT: Patricia M. Tran, AD/CVD Operations, Office III, Enforcement and Compliance, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-1503.

SUPPLEMENTARY INFORMATION:

Background

Following the *Preliminary Results* and Post-Preliminary Results, we received case briefs from the Government of the People's Republic of China (GOC), RZBC Companies, and Petitioners² on November 18, 2013. On November 25, 2013, all parties submitted their rebuttal briefs. We held ex-parte meetings with RZBC Companies on November 27, 2013, and Petitioners on December 5, 2013.³ Each party discussed their arguments in the case and rebuttal briefs.

As explained in the memorandum from the Assistant Secretary for Enforcement and Compliance, the Department exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013. Therefore, all deadlines in this segment of the proceeding were extended by 16 days. The deadline for the final results for this segment of the proceeding was extended to Wednesday, December 25, 2013, and because December 25 is a Federal Holiday, the actual deadline is Thursday, December 26, 2013.⁴

² Petitioners are Archer Daniels Midland Company, Cargill Incorporated, and Tate & Lyle Ingredients America LLC.

³ See Memoranda to the File from Patricia Tran, "Ex-Parte Meeting with Counsel representing Petitioners" and "Ex-Parte Meeting with Counsel representing RZBC Companies," dated December 20, 2013.

⁴ See Memorandum to the File from Patricia Tran, "Countervailing Duty (CVD) Administrative Review: Citric Acid & Certain Citrate Salts from the People's Republic of China, covering period 1/01/2011 – 12/31/2011 (2011 Citric Acid from the PRC): Tolling of Final Results Deadline," dated October 21, 2013, which contains Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (October 18, 2013). Therefore, all deadlines in this segment of the proceeding have been extended by 16 days. If the new deadline falls on a non-business day, in accordance with the Department's practice, the deadline will become the next business day.

Scope of the Order

The merchandise subject to the order is citric acid and certain citrate salts. The product is currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) item numbers 2918.14.0000, 2918.15.1000, 2918.15.5000, 3824.90.9290, and 3824.90.9290. Although the HTSUS numbers are provided for convenience and customs purposes, the written product description, available in *Citric Acid and Certain Citrate Salts from the People's Republic of China: Notice of Countervailing Duty Order*, 74 FR 25705 (May 29, 2009), remains dispositive.

A full description of the scope of the order is contained in the memorandum from Melissa G. Skinner, Director, Office III, Antidumping and Countervailing Duty Operations to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Issues and Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review: Citric Acid and Certain Citrate Salts; 2011” (Final Decision Memorandum), dated concurrently with this notice, and hereby adopted by this notice.

Analysis of Comments Received

All issues raised in the case briefs are addressed in the Final Decision Memorandum. A list of the issues raised is attached to this notice as an Appendix. The Final Decision Memorandum is a public document and is on file electronically via IA ACCESS. IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Final Decision Memorandum can be accessed directly on the internet at <http://www.trade.gov/enforcement/>. The signed Final Decision Memorandum and the electronic versions of the Final Decision Memorandum are identical in content.

Methodology

The Department has conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (“the Act”). For each of the subsidy programs found countervailable, we determine that there is a subsidy, *i.e.*, a financial contribution by an “authority” that confers a benefit to the recipient, and that the subsidy is specific. For a full description of the methodology underlying our conclusions, *see* the Final Decision Memorandum.

In making these findings, we have relied, in part, on facts available and, because one or more respondents did not act to the best of their ability to respond to the Department’s requests for information, we have drawn an adverse inference in selecting from among the facts otherwise available. For further information, *see* “Use of Facts Otherwise Available and Adverse Inferences” in the Final Decision Memorandum.

Final Results of Review

In accordance with 19 CFR 351.221(b)(5), we calculated a subsidy rate for the mandatory respondent, RZBC Companies.

Producer/Exporter	Net Subsidy Rate
RZBC Co., Ltd., RZBC Juxian Co., Ltd., RZBC Imp. & Exp. Co., Ltd., and RZBC Group Shareholding Co., Ltd.	35.87

Assessment Rates

The Department intends to issue appropriate assessment instructions directly to U.S. Customs and Border Protection (CBP) 15 days after the date of publication of these final results, to liquidate shipments of subject merchandise by RZBC Companies entered, or withdrawn from warehouse, for consumption on or after January 1, 2011, through December 31, 2011.

Cash Deposit Instructions

The Department also intends to instruct CBP to collect cash deposits of estimated CVDs in the amount shown above on shipments of subject merchandise by RZBC Companies entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed companies, we will instruct CBP to continue to collect cash deposits at the most recent company-specific or country-wide rate applicable to the company. Accordingly, the cash deposit rates that will be applied to companies covered by this order, but not examined in this review, are those established in the most recently completed segment of the proceeding for each company. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Administrative Protective Order

This notice serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act of 1930, as amended.

Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

December 26, 2013
Date

Appendix I

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Use of Facts Otherwise Available and Adverse Inferences
- V. Subsidy Valuation Information
- VI. Benchmark And Discount Rates
- VII. Analysis of Programs
- VIII. Analysis of Comments

- Comment 1:** Whether There is a Basis for the Imposition of Countervailing Duties on RZBC's Imports
- Comment 2:** Whether the Provision of Sulfuric Acid is Specific under Section 771(5A) of the Act
- Comment 3:** Whether the Provision of Steam Coal is Specific under Section 771(5A) of the Act
- Comment 4:** Whether the Provision of Calcium Carbonate is Specific under Section 771(5A) of the Act
- Comment 5:** Whether the Department Should Countervail Input Purchases Made Through Trading Companies and Produced by "Authorities"
- Comment 6:** Whether the Certain Sulfuric Acid Producers are "Authorities"
- Comment 7:** Shandong Province Policy Loans
- Comment 8:** Creditworthiness
- Comment 9:** Whether Provision of Land for Less Than Adequate Remuneration (LTAR) to Enterprises Located in Development Parks/Zones in the Donggang District is Countervailable
- Comment 10:** Whether Provision of Land for LTAR to Enterprises in Strategic Emerging Industries in Shandong Province is Countervailable
- Comment 11:** Whether Limestone Flux is Calcium Carbonate and sold at LTAR
- Comment 12:** Whether the Department Should Modify the Calcium Carbonate Benchmark to Use World Export Prices Derived from Chapter 28 of the Harmonized Tariff Schedule
- Comment 13:** Benchmark Issues
- A. Whether World Market Prices for Input Benchmarks are Reasonably Available
 - B. Whether to Consider Factors of Comparability to Select World Market Prices
 - C. Whether to Exclude Export Prices to the PRC in the Benchmark Calculation
 - D. Whether To Include RZBC Companies' Limestone Flux Benchmark Submission
 - E. Whether Benchmark Averaging Methodology is Unreasonable, Distortive, and Otherwise Not in Accordance with Law

- F. The Department Should Average Import Duties When Calculating the LTAR Benchmarks
 - G. The Department Should Modify The Sulfuric Acid Benchmark By Adding Hazardous Shipping Charges
 - H. Whether International Freight for Limestone Flux is Aberrational
- Comment 14:** Whether to Adjust Sulfuric Acid Input Purchases by RZBC Companies

IX. Conclusion

[FR Doc. 2013-31411 Filed 12/31/2013 at 8:45 am; Publication Date: 01/02/2014]